

**MEMO ENDORSED****quinn emanuel trial lawyers | los angeles**

865 South Figueroa Street, 10th Floor, Los Angeles, California 90017-2543 | TEL (213) 443-3000 FAX (213) 443-3100

USDC SDNY  
DOCUMENT  
ELECTRONICALLY FILED  
DOC #:  
DATE FILED: 7/16/2021

WRITER'S DIRECT DIAL NO.  
(213) 443-3251

WRITER'S EMAIL ADDRESS  
michaelwilliams@quinnemanuel.com

July 15, 2021

**VIA ECF**

The Honorable Valerie Caproni  
United States District Court  
Southern District of New York  
40 Foley Square, Room 240  
New York, NY 10007

Re: Mayweather Promotions, LLC v. PAC Entertainment Worldwide LLC; 21-cv-4378 (VEC)

Dear Judge Caproni,

We submit the following joint letter on behalf of Plaintiff Mayweather Promotions, LLC ("Mayweather Promotions") and Defendant PAC Entertainment Worldwide, LLC ("PAC"), as directed by the Court's Notice of Initial Pre-Trial Conference (Dkt. 8). A Case Management Plan is also attached for the Court's consideration.

Subject to the Court's approval, PAC's counsel requests that the Case Management Plan provide in Par. 5(a) that fact discovery is to be completed by December 31, 2021 in order to account for summer vacation plans, the Jewish holidays, and out-of-state witnesses, and Par. 5(b) provides for the completion of expert discovery by February 14, 2022, which is 45 days thereafter. Mayweather Promotions has no objection to this request.

Given the parties' agreement on the Case Management Plan, the parties do not believe that a Rule 16 conference is necessary, but have no objection to proceeding by teleconference on July 23, 2021 at 10:00 am as scheduled by the Court.

**Brief Description of the Case**

Mayweather Promotions is renowned boxer, Floyd Mayweather's, live entertainment promotion company. In December 2020, representatives of PAC and Floyd Mayweather discussed

**quinn emanuel urquhart & sullivan, llp**

AUSTIN | BOSTON | BRUSSELS | CHICAGO | HAMBURG | HONG KONG | HOUSTON | LONDON | LOS ANGELES | MANNHEIM | MIAMI | MUNICH |  
NEUILLY-LA DEFENSE | NEW YORK | PARIS | PERTH | SALT LAKE CITY | SAN FRANCISCO | SEATTLE | SHANGHAI | SILICON VALLEY |  
STUTTGART | SYDNEY | TOKYO | WASHINGTON, DC | ZURICH

arrangements for the hosting of a planned boxing exhibition between Floyd Mayweather and social media star, Logan Paul, in Dubai (the “Boxing Exhibition”).

Mayweather Promotions and PAC entered into that certain “Restated Agreement,” dated March 31, 2021, which gave PAC, inter alia, the right to host the event in Dubai, plus rights to distribute the event in limited territories (the “March 31 Agreement”). In exchange, PAC would pay Mayweather a minimum guaranteed amount of \$115 million on a prescribed payment schedule from April 1, 2021 to June 2, 2021 (the “Guaranteed Payments”). Under the March 31 Agreement, PAC also agreed to pay Mayweather \$7.6 million no later than April 15, 2021 for expenses that Mayweather would incur related to the Boxing Exhibition (the “Expense Amount”).

Mayweather Promotions contends that PAC breached the March 31 Agreement by failing to timely make the Guaranteed Payments pursuant to the agreed upon schedule, which triggered the agreement’s provision making the total amount due and owing immediately.

On April 7, 2021, PAC paid Mayweather Promotions \$5 million; and, on April 9, 2021, PAC paid Mayweather Promotions an additional \$5 million (for a total of \$10 million).

Mayweather Promotions and PAC entered into that certain “First Amendment,” dated April 11, 2021 (the “April 11 Amendment”), pursuant to which the payment schedule set forth in the “Guaranteed Amounts” section of the March 31 Agreement was deleted in its entirety and replaced with an agreement to pay Mayweather Promotions a minimum amount of \$115 million as Guaranteed Payments on a prescribed payment schedule that reflected the two \$5 million payments made on April 7 and 9, 2021, and set forth a (new) payment schedule from April 14, 2021 through June 2, 2021. In addition, pursuant to the April 11 Amendment: (i) the “Live Event Costs” section of the March 31 Agreement was amended by the substitution of a clause that provided for an Expense Amount payment to Mayweather Promotions in the amount of \$7.6 million not later than April 15, 2021; and (ii) the “Event” section of the March 31 Agreement was amended. The April 11 Amendment further provided that: “[e]xcept as herein amended, the Agreement, as amended herein, shall remain in full force and effect as written.”

Mayweather Promotions alleges in its Complaint that, on April 1, 2021, PAC breached the parties’ agreement by failing to make the first Guaranteed Payment due under the March 31 Agreement, and further alleges that PAC also failed to make all subsequent Guaranteed Payments pursuant to the schedule in the March 31 Agreement and pay the \$7.6 million Expense Amount, totaling \$122.6 million. Mayweather brings one cause of action for breach of contract against PAC for damages sustained as a result of these alleged breaches. Mayweather Promotions contends that the March 31 Agreement provided that, in the event of non-payment, PAC must immediately pay the balance of the Guaranteed Payments and that Mayweather Promotions could retain any Guaranteed Payments that it had already received or, that were now payable; and that the March 31 Agreement stated that PAC’s non-payment of any of the Guaranteed Amounts or other amounts due automatically terminates all of PAC’s rights under the contract, including PAC’s right to host the live event and to distribute the event in the agreed-upon territory.

PAC contends that on April 13, 2021, which is to say before the April 14, 2021 payment was due under the April 11 Amendment, Floyd Mayweather advised representatives of PAC, in words and

substance, that he was terminating the contractual arrangements between the parties; and the Boxing Exhibition did not take place in Dubai as PAC had arranged but instead took place in Miami, Florida pursuant to arrangements made unilaterally by Mayweather Promotions. Thereafter, Mayweather Productions refused to repay PAC the \$10 million that PAC had paid to Mayweather Promotions on April 7 and 9, 2021. Mayweather Promotions denies PAC's contentions and that it had an obligation to return any amounts paid by PAC.

PAC's time to respond to the Complaint has been extended to July 22, 2021. PAC contends that Mayweather Promotions prematurely terminated the parties' agreement and has improperly retained the \$10 million paid to it by PAC on April 7 and 9, 2021. PAC intends to allege counterclaims against Mayweather Promotions seeking, inter alia, money damages for Mayweather Promotions' wrongful termination and breach of the parties' agreement, and for Mayweather Promotions' conversion of the \$10 million paid to it by PAC.

### **Contemplated Motions**

At PAC's request, its time to respond to the Complaint was extended from June 9, 2021 to July 12, 2021 (Dkt. 17), and further extended from July 12, 2021 to July 22, 2021 (Dkt. 20). Based on PAC's intent to allege counterclaims against Mayweather Promotions, Mayweather Promotions reserves its right to bring a motion to dismiss any or all counterclaims once they are filed.

### **Basis for Subject Matter Jurisdiction**

Mayweather Promotions is a limited liability company formed under the laws of Nevada, which maintains its principal place of business in Nevada. Its members are US citizens who are residents of Nevada. PAC is a limited liability company formed under the laws of Delaware, which maintains its principal place of business in New York. Its members are US citizens who are residents of New York.

This Court has diversity subject matter jurisdiction over this matter pursuant to 28 U.S.C. § 1332 because the matter in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs, and is between Mayweather Promotions, formed under the laws of and having its principal place of business in Nevada, and PAC, formed under the laws of Delaware and having its principal place of business in New York.

### **Prospect For Settlement**

The parties engaged in early settlement discussions through PAC's Florida counsel, but those efforts were unsuccessful. It is expected that additional efforts will be made to resolve the matter through settlement discussion with PAC's New York counsel or through ADR arrangements to be made pursuant to the Case Management Plan.

Respectfully submitted,



/s/ Jeffrey T. Strauss

Michael E. Williams  
Quinn Emanuel Urquhart & Sullivan, LLP  
Counsel for Plaintiff Mayweather Promotions  
LLC

Jeffrey T. Strauss  
Wachtel Missry LLP  
Counsel for Defendant PAC Entertainment  
Worldwide

cc: all counsel of record via ECF

The initial pretrial conference scheduled for July 23, 2021 is canceled. A case management plan will be entered separately. In light of the lengthy fact discovery period requested by the parties, the Court is highly unlikely to grant any extensions.

SO ORDERED.



7/16/2021

HON. VALERIE CAPRONI  
UNITED STATES DISTRICT JUDGE